Amendment No. 1 to HB0659

Sexton C Signature of Sponsor

AMEND Senate Bill No. 1171

House Bill No. 659*

by deleting all language after the enacting clause and substituting instead the following:

SECTION 1. Tennessee Code Annotated, Title 56, is amended by adding the following as a new chapter:

56-62-101.

As used in this chapter:

- (1) "Alternative payment system" means a payment methodology created by the Tennessee Healthcare Innovation Initiative which is used by a healthcare payor and includes a risk-sharing component for a provider who participates in a plan, program, or network offered by the healthcare payor;
- (2) "Healthcare payor" means the state or any health insurance entity, as defined in § 56-7-109, using an alternative payment system;
- (3) "Provider" means any person or entity performing services regulated pursuant to title 63 or title 68, chapter 11; and
- (4) "Risk-sharing payment" means, as a result of patient-care costs that exceed cost thresholds set by the healthcare payor, a:
 - (A) Reduction in a payment to a provider who is assigned to be a primarily accountable provider under a risk-sharing program;
 - (B) Demand for a refund of a payment already made to a provider who is assigned to be a primarily accountable provider under a risksharing program; or

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(C) Recoupment applied against payments for future services provided by a provider who is assigned to be a primarily accountable provider under a risk-sharing program.

56-62-102.

A healthcare payor using an alternative payment system, when determining any potential risk-sharing payment for a provider, shall disclose all costs of treatment or other services included within the medical service subject to the alternative payment system. The costs of the treatment or services shall be identified by patient, date of service, provider of service, place of service, service description, service claim code, and amount. Information in this section must be provided within ten (10) business days after a request from a provider, to the provider as a supplement to a regular provider report that is provided to the provider and related to the alternative payment system. A healthcare payor may withhold cost information for providers who are credentialed with the healthcare payor in the same specialty, by taxonomy or facility code, as that of the primarily accountable provider subject to the risk-sharing payment.

56-62-103.

A provider shall maintain the cost information provided by a healthcare payor under § 56-62-102 as confidential and shall not disclose the cost information to any other provider who has not provided treatment or services under the same episode of care.

56-62-104.

Notwithstanding § 56-7-1005, nothing in this chapter applies to the TennCare program established under title 71, chapter 5, or any successor program. This chapter applies to a health plan offered to state or other public employees using an entity regulated by this part.

SECTION 2. This act shall take effect January 1, 2018, the public welfare requiring it.